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IRANIAN DEAL MIDDLEMEN PUT FOCUS BACK ON NORTH
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FILL ON

The Iranian arms deal, as outlined by the key Iranian and Saudi middlemen, puts fired White House aide Oliver L. North back at center stage as the principal figure in the mystery of what happened to as much as \$35 million.

In televised interviews Thursday night, the Iranian, Manucher Ghorbanifar, and the Saudi, Adnan Khashoggi, said they paid \$30 million to \$35 million for the arms shipments into accounts they believe were controlled by North, who was fired last month for his role in diverting the sales profits to Nicaraguan

The two middlemen told Barbara Walters of ABC-TV's "20-20"that they were surprised to learn from press accounts that the weapons actually cost the U.S. government only \$12.2 million.

"It means they (North and other participants) have overcharged the government" of Iran, said Khashoggi, a Saudi billionaire who provided much of the advance money for the purchases.

"We thought (the full amount) had gone to the purchasing agency," said Ghorbanifar about the weapons payments.

Earlier this week, congressional investigators said much of the money appeared to have been absorbed in paying brokers and middlemen in the deals, raising questions about how much actually went to help support the Contras at a time Congress barred U.S. military assistance.

"There were a lot of brokers" involved in the Iran-Contra transactions, said Sen. David Durenberger, R-Minn., Senate Intelligence Committee chairman. "And obviously they were compensated. "But Khashoggi and Ghorbanifar said they made no profit from the sales, and that Khashoggi is actually out \$10 million because Iran refused to reimburse him for part of the final shipment on the grounds that The transactions, said they made no profit from the sales, and that Khashoggi is actually out \$10 million because some equipment was defective.

The two men said payments for the U.S. arms, including 2,000 anti-tank TOW missiles, were made with advances provided by Khashoggi into the account of Lake Resources, a company they believed was controlled by North and retired Air Force Maj. Gen. Richard V. Secord.

Federal investigators have identified Second as a key assistant to North in arranging the Iranian arms sales and sending military assistance to the Contras fighting Nicaragua's leftist government.

North, a staff aide on President Reagan's National Security Council, and Second have refused to testify before congressional committees, asserting their Fifth Amendment rights against self-incrimination.

Ghorbanifar said North would set the price for the military equipment that Iran wanted, Khashoggi would make a pre-payment for the arms and the Iranians would repay him after delivery. The two middlemen said they had no idea what happened to the payments to Lake Resources after they made their deposits.

According to congressional sources. CIA director William J. Casey testified this week that payments totaling \$12.2 million the Pentagon's cost for the weapons were made from Lake Resources and other companies into a secret CIA bank account in Switzerland.

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Casey said the CIA was "meticulous" in its bookkeeping on the original cost of the U.S. weapons with repayment totaling \$12.2 million being transferred from the CIA account back to the Pentagon.

But that would still leave about \$20 million _ which Khashoggi and Ghorbanifar said they paid to Lake Resources _ unaccounted for.

In explaining North's firing on Nov. 25, Attorney General Edwin Meese III said \$10 million to \$30 million from the Iranian arms sales had gone to the Contras. Some of that money was used to establish an air resupply wing for the Contras that came to light Oct. 5 when an American-manned C-123K cargo plane was shot down over Nicaragua, government sources have said.

Also not explained in the Khashoggi-Ghorbanifar interview was the reported participation of Canadian investors in providing about \$20 million to Khashoggi to pay for the Iranian weapons shipments.

This week, Casey testified that he first learned that some money might have been diverted to Central America when New York businessman Roy M. Furmark informed him in October that Canadian investors in the arms deal were angry because they were short as much as \$10 million.

According to sources, Furmark told the Senate Intelligence Committee on Thursday that he had been asked by Khashoggi to carry the message to Casey because the Canadian investors were threatening to file a suit against Khashoggi for the \$10 million.